



Jefferson County

Five-Year Financial Management Plan

County Board

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Presentation Overview



- Review Process up to this point
 - Finance Committee Workshops
 - 5 workshops between January and May, 2009
 - Forecast of 2010 – 2014 built off 2009 budget
 - Minor program adjustments
 - Examined impact of possible future facility infrastructure needs
 - Options to address shortfall
 - Sale of Countryside Home
 - \$3.5 Million referendum



Sale of Countryside Home



- Assumptions in Forecast Analysis
 - Year 2010
 - Sale Takes Place
 - Transition Year
 - Outstanding debt paid with sale proceeds
 - Partial reduction in Expenditure & Revenues
 - Year 2011 and Beyond
 - All expenditures and revenues removed



Sale of Countryside Home



- Outcomes
 - Year 2010
 - Shortfall lowers but remains
 - Year 2011 and Beyond
 - No shortfall in 2011
 - Shortfall returns in 2012 – 2014 (but more manageable)



\$3.5 Million Referendum



- Assumptions in Forecast Analysis
 - Year 2010
 - Additional \$3.5 million levy available
 - Year 2011 and Beyond
 - Additional levy assumed to build with base



\$3.5 Million Referendum



- Outcomes
 - Year 2010
 - Shortfall eliminated
 - Year 2011 and Beyond
 - Shortfall eliminated in 2011 with small use of funds balance
 - Shortfall returns in 2012 – 2014 (but more manageable)



Comparison of Excess or (Shortfall)



Comparison of Forecasts of Excess or (Shortfall) vs 3% Levy Limit Increases

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
Base Case	(2,701,577)	(2,903,622)	(3,685,225)	(4,544,447)	(5,515,930)	(5,951,406)
Sale of Countryside Facility	(2,701,577)	(909,147)	905,764	(232,590)	(1,344,306)	(2,536,059)
Referendum of \$3.5 Million in 2010	(2,701,577)	216,378	0	(531,297)	(1,691,385)	(2,012,125)



Comparison in use of Undesignated Fund Balance

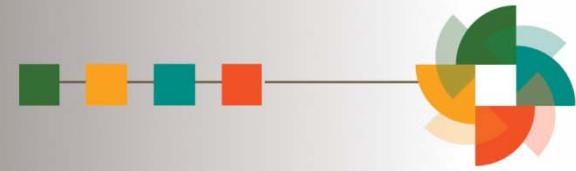


Comparison of Forecasts of Undesignated Year End Fund Balance vs. Recommended Minimums

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
Base Case	11,319,908	8,416,286	4,731,061	186,614	(5,329,315)	(11,280,721)
Sale of Countryside Facility	11,319,908	10,410,761	11,316,525	11,083,935	9,739,629	7,203,570
Referendum of \$3.5 Million in 2010	11,319,908	11,536,286	11,536,286	11,004,989	9,313,604	7,301,480



Comparison in use of Undesignated Fund Balance



Recommended Minimums 15% of all Revenues

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
Base Case	10,885,145	10,370,854	10,585,170	10,804,963	11,030,383	11,261,585
Sale of Countryside Facility	10,885,145	10,232,346	9,273,936	9,462,742	9,656,419	9,855,101
Referendum of \$3.5 Million in 2010	10,885,145	10,895,854	11,125,920	11,361,935	11,604,065	11,852,477



Comparison in use of Undesignated Fund Balance



Variance of Actual over/(under) Recommended

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
Base Case	434,763	(1,954,568)	(5,854,108)	(10,618,348)	(16,359,698)	(22,542,305)
Sale of Countryside Facility	434,763	178,415	2,042,589	1,621,193	83,210	(2,651,531)
Referendum of \$3.5 Million in 2010	434,763	640,432	410,367	(356,946)	(2,290,460)	(4,550,997)



Comparison of Tax Rate



Comparison of Forecasts of Tax Rates based upon allowed

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
Base Case - Allowable	3.77	3.88	4.00	3.99	3.99	3.99
Base Case - Needed	3.77	4.32	4.55	4.65	4.77	4.81
Sale of Countryside Facility	3.77	3.88	4.00	3.99	3.99	3.99
Referendum of \$3.5 Million in 2010	3.77	4.41	4.54	4.53	4.53	4.53

Rates based upon per \$1,000 of Projected Equalized Value



Added Tax Rate of Every \$10 Million Borrowed



Examples of Added Tax Rate for Any New Debt for Capital Projects or Facility Upgrades

	2009 Budget	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected
For Every \$10 Million Borrowed	0.00	0.04	0.10	0.10	0.10	0.10



Conclusions



- Debt Management & Bond Rating
 - Currently in good shape
 - Long-term depends on closing the operating shortfall



Conclusions



- Closing Operating Shortfall
 - Sale of Countryside
 - \$3.5 Million on-going referendum for levy increases
 - Some more permanent combination of expenditure reductions and tax levy increases, most probably including significant employee layoffs. Continued monitoring of pending levy limit legislation and its impact on the County's situation is very important in determining the viability of this option.

